Approved For Release 2004/03/26 : CIA-RDP78B04747A002200010007-0

25X1

CONTRACT — ORDER

THIS NUMBER ALL PACK... EAR ON ...APERS ...GES

CONTRACT / ORDER

BUREAU VOUCHER NO.

25X1

PREPARED BY | REFERENCE | DATE OF CONTRACT / ORDER | BUREAU SCHEDULE NO.

[illegible] Government (4-1964), (4-1964), (4-1964) | 12 December 1963

This contractual document is entered into as of the date above, by and between the United States of America, hereinafter called the Government represented by the Contracting Officer executing same, and the below named Contractor, hereinafter called the Contractor. The parties hereto agree that the Contractor shall furnish the facilities and deliver the supplies and services set forth herein for the consideration stated.

IMPORTANT IF "X" APPEARS

CONTRACT- The rights and obligations of the parties hereto shall be subject to and governed by the Schedule and the terms and conditions on the attached General Provisions Form No. (edition). To the extent of any inconsistency within the Schedule and the General Provisions, the Schedule shall control.

TASK ORDER- The rights and obligations of the parties hereto shall be subject to and governed by this Task Order consisting of the Schedule and all terms and provisions of the Basic Contract indicated above, which is incorporated herein by reference and made a part hereof. To the extent of any inconsistency between Basic Contract and this Task Order, this Task Order shall control.

TO: (CONTRACTOR AND ADDRESS)

25X1

MAIL INVOICE TO:

Issuing Office

SHIP TO: (CONSIGNEE AND ADDRESS)

See "Delivery F.O.B. and Installation" below.

IMPORTANT: (PLEASE COMPLY WITH IDENTIFICATION & MARKING INSTRUCTIONS PARA. 12. REVERSE).

ISSUING OFFICE (ADDRESS INQUIRIES TO)

25X1

Post Office Box 5243
Southwest Station
Washington 24, D. C. 20024

DATE(S) OF DELIVERY

See Below

DISCOUNT TERMS

Net 30 days

DELIVERY F.O.B.

See below DESTINATION | OTHER (AS SPECIFIED IN SCHEDULE)

SCHEDULE

ITEM NO.	SUPPLIES OR SERVICES	UNIT	QUANTITY (NO. OF UNITS)	UNIT PRICE	AMOUNT
1	Viewer, stereoscopic, versatile, high precision.	ea	2		25X1
2	Viewer, stereoscopic, versatile, high precision, with encoders for .0002 accuracy.	ea	1		

SPECIFICATIONS:

The units provided hereunder shall be technically in accordance with the Contractor's proposal No. 5524 dated 6 September 1963, as amended by letters dated 12 September 1963, and 10 October 1963, which are incorporated herein by reference. In addition the following are applicable:

a. Each viewer shall be provided with four swivel casters of appropriate diameter and load capacity to permit the unit to be easily rolled on normal floor surfaces.

ACCOUNTING CLASSIFICATION

TOTAL AMOUNT

25X1

THE UNITED STATES OF AMERICA

25X1

BY

25X1

CONTRACTING OFFICER

DECLASS REVIEW by NGA

PROCUREMENT AUTHORITY / CERTIFICATE OF AWARD

THIS CONTRACT ADVERTISED OR NEGOTIATED UNDER AUTHORITY AS SHOWN BELOW.

THE ABOVE CONTRACTING OFFICER CERTIFIES THAT THE FOLLOWING IS TRUE AND CORRECT: THAT ANY REQUIRED DETERMINATION AND FINDINGS IN CASE OF NEGOTIATION HAS BEEN MADE OR A STATEMENT OF REASON IN CASE OF REJECTION OF LOW BIDS ATTACHED; THAT THE SUPPLIES OR SERVICES COVERED BY THE AGREEMENT ARE NECESSARY FOR THE PUBLIC SERVICE AND THAT THE PRICES CHARGED ARE JUST AND REASONABLE.

TO BE INSPECTED BY	PROCURED AS S.C.	ADV.	NO. DEALERS	NO. BIDS REC'D.	AWARD TO LOWEST BIDDER AS TO PRICE EXPENDITURE
X T AND I / Other As Specified In Schedule	NNT / ZERO / X ONE				YES / NO Statement Attached

CHARGE ALLOTMENT NO.	COST CENTER SYMBOL
See Below	See Below

REQUISITION NO.	BUDGET REQ. OFFICE COPY TO
See Below	NPIC

NEGOTIATED — PURSUANT TO SEC. 3(A) PL 81-110, 1949 AND APPLICABLE AGENCY REGULATION

	PUBLIC EXIGENCY	X	IMPRACTICAL TO SECURE COMPETITION
	SHOULD NOT BE PUBLICLY DISCLOSED		OTHER (SPECIFY)

DEL — NAME - ROOM - BUILDING

25X1

STOCK | SHIPMENT | STATION NO.

VIA — SEA | AIR | POUCH | TRUCK

MEMORANDUM

Vou. No.	Proj./Acctg. No.	Cost Center No.	Emp. No.
64-17615	4155-1093-6000	4155-1093-6000	5500-4538-64
64-17616	" " "	4155-1093-6000	5500-7031-64
64-23940	X155-0173-0037	X155-0173-0037	5500-8501-64

SECRET

25X1

USE PREVIOUS EDITIONS

Approved For Release 2004/03/26 : CIA-RDP78B04747A002200010007-0

TO REQUISITIONING OFFICE BUDGET COPY

NPIC

Approved For Release 2004/03/26 : CIA-RDP78B04747A002200010007-0

CONTINUATION SHEET	THIS NUMBER IN ALL PACKAGES AND ORDER/CONTRACT	PAGE NO.	NO. OF PAGES
		8	9

ISSUING OFFICE 25X1 [redacted] 25X1

ITEM NO.	SUPPLIES OR SERVICES	UNIT	QUANTITY (No. OF UNITS)	UNIT PRICE	AMOUNT	AMOUNT BILLED

b. At maximum illumination intensity suitable for distinguishing .02 density gradient at a reference density of 2.0, the temperature of the film being viewed shall not be raised in excess of 30°F above ambient 80°F in fifteen minutes continuous operation.

PROGRESS REPORTS:

Shall be submitted monthly in quadruplicate. One copy shall be mailed to the Contracting Officer. Three copies shall be mailed to:

25X1 [redacted]
Post Office Box 2143
Main Post Office
Washington, D. C.

These reports shall briefly include:

a. Accomplishments during the reported period.
b. Projected work for the next period.
c. Delineation of:
   1. Milestones
   2. Any problem areas
   3. An analysis of the expenditures and obligations during the reported period and to date by category, i.e. engineering, labor burden, purchases, travel, G & A.
d. Confirm any verbal commitments/agreements with the Technical Representative of the Contracting Officer during the reporting period.

Operation and Maintenance Manuals:

Four copies shall be supplied with each unit delivered under this contract. This manual shall include full operating instructions, a discussion of the theory of operation, a description of the actual circuits, illustrative diagrams, and recommended maintenance procedures, etc.

DRAWINGS:

Directly reproducible working drawings used to construct the system, including mechanical layouts, complete electrical schematics, wiring diagrams and block diagrams, shall be provided - one set for Item 1 ~~and one set for Item 2.~~ B.R.L. B.R.K.

SPARE PARTS LIST:

Two copies shall be provided with each unit. This list shall include all items required for operation and maintenance of the unit, including parts and supplies normally expected to be consumed in the operation of the equipment, with adequate data to permit procurement.

SUBMITTAL OF INVOICES FOR PAYMENT:

Invoices for payment under this contract shall be submitted not oftener than once a month. The Contractor shall coordinate the date of submission

TOTALS CARRIED FORWARD TO FIRST SHEET

Approved For Release 2004/03/26 : CIA-RDP78B04747A002200010007-0

CONTINUATION SHEET

THIS NUMBER M... ALL PACKA... REFER TO THIS ORDER/CONTRAC...	...EAR ON PERS ...NTRACT	PAGE NO. 3	NO. OF PAGES 9

25X1

ISSUING OFFICE

CONTRACTOR

25X1

25X1

ITEM NO.	SUPPLIES OR SERVICES	UNIT	QUANTITY (No. OF UNITS)	UNIT PRICE	AMOUNT	AMOUNT BILLED

with the Technical Representative of the Contracting Officer to permit him to have his monthly inspection visit coincide with that time inasmuch as it will be necessary that he certify that the invoice is compatible with the technical progress of the Contract performance.

LIMITATION ON INTEREST CHARGES IN OVERHEAD EXPENSE:

25X1

Interest charges not to exceed [redacted] per Contractor's fiscal year shall be considered as an allowable item in the Contractor's overhead expense pool.

WARRANTY:

The Contractor warrants the equipment provided hereunder to be free from defects in materials and workmanship and further warrants the equipment completely for a period of 90 days from the date of acceptance at destination, excluding any misuse or improper handling.

DELIVERY F.O.B. AND INSTALLATION:

The Contractor shall deliver the units to be provided hereunder f.o.b. installed at Washington, D. C., the exact destination to be provided by the Technical Representative of the Contracting Officer. The Contractor shall coordinate the time of arrival at destination with the Technical Representative as well as provide him with any special power requirements, etc. necessary to be provided at the installation site. This information will be provided as early as practicable before delivery.

REQUIREMENTS FOR CONTRACTOR'S PERSONNEL INVOLVED IN WORK ON GOVERNMENT PROPERTY:

The Contractor agrees that he will assign to the work of installation to be provided hereunder only such persons as are citizens of the United States of America and approved by the Contracting Officer in advance in writing. For this purpose, the Contractor shall initiate to the Contracting Officer a "Request for Contract Security Authorization," Form 1081, for each individual at least four (4) months in advance of the scheduled date of such installation. The Contractor agrees that all contractor personnel performing the work under this contract will maintain a high degree of vigilance and diligence to prevent any damage or injury to Government property, equipment, or personnel in the vicinity of the work and to the greatest extent possible, avoid any interference with any plant operations that may be in process during the work performed hereunder. Further, the Contractor agrees that it would be his responsibility to see that any Government property or equipment damaged by his employees during the performance of such installation will be restored at his expense and to the satisfaction of the Contracting Officer.

STANDARDS OF WORK (JUNE 1970):

The Contractor agrees that the performance of work and services pursuant to the requirements of this contract shall conform to high professional standards.

TOTALS CARRIED FORWARD TO FIRST SHEET

Approved For Release 2004/03/26 : CIA-RDP78B04747A002200010007-0

Approved For Release 2004/03/26 : CIA-RDP78B04747A002200010007-0

CONTINUATION SHEET

THIS NUMBER MUST APPEAR ON ALL PACKAGES AND PAPERS PERTAINING TO THIS ORDER/CONTRACT	PAGE NO.	NO. OF PAGES
	2	9

25X1

ISSUING OFFICE

25X1

CONTRACTOR

25X1

ITEM NO.	SUPPLIES OR SERVICES	UNIT	QUANTITY (No. OF UNITS)	UNIT PRICE	AMOUNT	AMOUNT BILLED

EXCLUDED PATENT AND DATA RIGHTS:

This contract excludes from all patent rights and data clauses thereof any claim to OPTOmechanisms Image Enhancers Series 432, patent applied for, Serial No. 116,179 - "Image Enhancement Means," No. 148,250, "Image Enhancement Means," and No. 134,940 "Image Enhancement Means with Image Rotation," and by reference any patent applications now being prepared pertaining to image enhancers.

SPARE PARTS COMPLEMENT:

Within 90 calendar days after receipt of this contract the contractor shall furnish a priced list of suggested spare parts, supplies, components, etc., to include all items that might require replacement over a period of one year's use of the equipment.

REPAIRS/CORRECTION OF DEFECTS UNDER THE WARRANTY PROVISIONS OF THIS CONTRACT:

Shall be made by the contractor as promptly as possible and in any event within Seven (7) calendar days. The 90 day complete warranty period provided herein shall be extended to the extent that the equipment is out of use for the period between the time the contractor is notified of such defect, and the time correction is made by the contractor.

The Contractor shall comply with the General Schedule Provisions, attached hereto and made a part hereof. In the event of any discrepancy between the foregoing and the General Schedule Provisions, the foregoing shall apply.

The following attached clauses are incorporated herein:

Competition In Subcontracting
Audit and Records
Subcontractor Cost and Pricing Data
Interest
Progress Payments
Patent Rights
Special Tooling

CONTRACT PRICE:

1. Fixed Price Items.

Each unit to be delivered under this contract includes two [redacted] Inc. No. 432 Image Enhancers, or a total of six (6) for a total contract fixed

25X1

25X1

[redacted]

TOTALS CARRIED FORWARD TO FIRST SHEET

FORM 1460 (12-28-49) USE PREVIOUS EDITIONS

Approved For Release 2004/03/26 : CIA-RDP78B04747A002200010007-0

9. Budget-Requisitioning Office

Approved For Release 2004/03/26 : CIA-RDP78B04747A002200010007-0

CONTINUATION SHEET

THIS NUMBER MUST APPEAR ON ALL PACKAGES AND INVOICES	PAGE NO.	NO. OF PAGES
ORDER/CONTRACT	5	9

25X1 25X1

ISSUING OFFICE

CONTRACTOR

25X1

ITEM NO.	SUPPLIES OR SERVICES	UNIT	QUANTITY (No. of Units)	UNIT PRICE	AMOUNT	AMOUNT BILLED

2. Incentive Price Revision (Firm Target)

25X1

25X1

Target Cost
Target Profit
Contingency (cost)
Ceiling Price

(b) Submission of Data

Within 90 calendar days after the end of the month in which the Contractor has delivered the last unit of supplies and completed the services called for by those items referred to in paragraph (a) above, the Contractor shall submit, in such form as the Contracting Officer may require, (i) a detailed statement of all costs incurred up to the end of that month in performing all work under such items, and (ii) an estimate of costs of such further performance, if any, as may be necessary to complete performance of all work with respect to such items.

(c) Price Revision

Upon submission of the data required by paragraph (b) above, the Contractor and the Contracting Officer shall promptly establish the total final price in accordance with the following:

(1) On the basis of the information required by paragraph (b) above, together with any other pertinent information, there shall be established by negotiation the total final cost reasonably incurred or to be incurred for and properly allocable to the supplies delivered (or services performed) and accepted by the Government, which are subject to price revision under this clause.

(2) The total final price for this part of the contract shall be established by adjusting the total final negotiated cost by an amount for profit or loss determined as follows:

In the event the total final negotiated cost of this part of the contract is between the Target Cost ( ) and the Ceiling Cost ( ) the contract profit for this part of the contract shall be the Target Profit ( ) In the event the total final negotiated cost of this part of the contract is less than the Target Cost ( ) the contract profit for this part of the contract shall be the Target Profit ( ) plus Fifteen percent (15%) of the amount by which the total final negotiated cost is less than the Target Cost, however the total profit shall not in

25X1 25X1 25X1 25X1 25X1 25X1

TOTALS CARRIED FORWARD TO FIRST SHEET

Approved For Release 2004/03/26 : CIA-RDP78B04747A002200010007-0

Approved For Release 2004/03/26 : CIA-RDP78B04747A002200010007-0

CONTINUATION SHEET | THIS NUMBER ... ALL PACKAGES AND PAPERS ... | PAGE NO. 6 | NO. OF PAGES 9

ORDER/CONTRACT [redacted] 25X1

ISSUING OFFICE [redacted] 25X1 | [redacted] 25X1

ITEM NO.	SUPPLIES OR SERVICES	UNIT	QUANTITY (No. OF UNITS)	UNIT PRICE	AMOUNT	AMOUNT BILLED

any event exceed Fifteen percent (15%) of the total final negotiated cost. In the event the total final negotiated cost of this part of the Contract is over the Ceiling Cost [redacted] 25X1 then the profit shall be limited to any difference between the Ceiling Cost and the Ceiling Price [redacted] 25X1 the maximum contract price for this part of the contract.

3. The total final price of the items referred to in paragraph (a) above shall be evidenced by a modification to this contract signed by the Contractor and the Contracting Officer. Such price shall not be subject to revision notwithstanding any changes in the cost of performing the contract, with the following exceptions:

(i) insofar as the parties may agree in writing, prior to the determination of the total final price, (A) to exclude any specific elements of cost from the total final price and (B) to a procedure to provide subsequent disposition of such elements; and

(ii) to the extent any adjustment or credit is explicitly permitted or required by this or any other clause of this contract.

(d) Subcontracts.

No subcontract placed under this contract shall provide for payment on a cost-plus-a-percentage-of-cost basis; and the Contractor shall not, without the prior written consent of the Contracting Officer, place any subcontract which is on a cost-plus-a-fee basis and which would involve a total price in excess of [redacted] 25X1 including the fee. The Contracting Officer may, in his discretion, ratify in writing any such cost-plus-a-fee subcontract and such action shall constitute the consent of the Contracting Officer as required by this paragraph (d).

(e) Adjustment of Payments.

Pending execution of the contract modification referred to in subparagraph (c)(3) above, the Contractor shall submit invoices or vouchers in accordance with billing prices as provided in this paragraph. The billing prices shall be the target prices set forth in this contract, provided, that if at any time it appears that the then current billing prices do not provide for payments consistent with the provisions of subparagraph (f)(3) below, the parties may agree to revised billing prices, which shall be reflected in a modification to this contract. Billing prices are for the sole purpose of providing for interim payments and shall not affect the

TOTALS CARRIED FORWARD TO FIRST SHEET

FORM 5-61 1460 USE PREVIOUS EDITIONS (12-28-49)

Approved For Release 2004/03/26 : CIA-RDP78B04747A002200010007-0

9. Budget-Requisitioning Office

Approved For Release 2004/03/26 : CIA-RDP78B04747A002200010007-0

CONTINUATION SHEET

THIS NUMBER MUST APPEAR ON ALL PACKAGES AND PAPERS RELATING TO THIS CONTRACT	PAGE NO.	NO. OF PAGES
ORDER/CONTRACT NO.		

25X1

ISSUING OFFICE

25X1 [redacted]

CONTRACTOR

25X1 [redacted]

ITEM NO.	SUPPLIES OR SERVICES	UNIT	QUANTITY (No. of Units)	UNIT PRICE	AMOUNT	AMOUNT BILLED

determination of the total final price under paragraph (e) above. After execution of the contract modification referred to in subparagraph (e)(3) above, the total amount paid or to be paid on all invoices or vouchers shall be adjusted to reflect the total final price and any additional payments, refunds, or credits, resulting therefrom shall be promptly made.

(f) Limitation on Payments.

(1) This paragraph (f) shall not apply after final price revision.

(2) Within forty-five (45) days after the end of each quarter of the Contractor's fiscal year, beginning for the quarter in which a delivery is first made (or services are first performed) and accepted by the Government under this contract, and as of the end of each quarter, the Contractor shall submit to the Contracting Officer a cumulative statement setting forth:

(i) the total contract price of all supplies delivered (or services performed) and accepted by the Government for which final prices have been established;

(ii) the total costs (estimated to the extent necessary) reasonable incurred for and properly allocable solely to the supplies delivered (or services performed) and accepted by the Government for which final prices have not been established;

(iii) that portion of the total target profit which is in direct proportion to the supplies delivered (or services performed) and accepted by the Government for which final prices have not been established, increased or decreased in accordance with the incentive profit formula set forth in (e)(2) above when the amount of costs stated under (ii) above differs from the aggregate target costs of such supplies or services; and

(iv) the total amount of all invoices or vouchers for supplies delivered (or services performed) and accepted by the Government (including amounts applied or to be applied to liquidate progress payments).

(3) Notwithstanding any provision of this contract authorizing greater payments, if on any quarterly statement the amount of (2)(iv) above exceeds the sum of (2)(i), (ii), and (iii) above, the Contractor shall immediately refund or credit to the Government against existing unpaid invoices or vouchers covered by such statement the amount of such excess less (i) the cumulative total of any previous refunds or credits under this clause

TOTALS CARRIED FORWARD TO FIRST SHEET

FORM 5-61 1460 USE PREVIOUS EDITIONS

Approved For Release 2004/03/26 : CIA-RDP78B04747A002200010007-0

(12-28-45)

9. Budget-Requisitioning Office

Approved For Release 2004/03/26 : CIA-RDP78B04747A002200010007-0

CONTINUATION SHEET

THIS NUMBER MUST APPEAR ON ALL PACKAGES AND PAPERS	PAGE NO.	NO. OF PAGES
ORDER/CONTRACT NO.	9	9

ISSUING OFFICE 25X1

CONTRACTOR 25X1

ITEM NO.	SUPPLIES OR SERVICES	UNIT	QUANTITY (No. OF UNITS)	UNIT PRICE	AMOUNT	AMOUNT BILLED

(exclusive of any tax credits under Section 1481 of the Internal Revenue Code of 1954) and (ii) any applicable tax credits under Section 1481 of the Internal Revenue Code of 1954. If any portion of such excess has been applied to the liquidation of progress payments, such amount (less all tax credits under the Internal Revenue Code) may be added or restored to the unliquidated progress payment account, to the extent consistent with the "Progress Payments" clause of this contract, instead of direct refund thereof.

(4) The Contractor shall (i) insert in each price redetermination or incentive price revision subcontract hereunder the substance of this paragraph (f), including this subparagraph (4), modified to omit mention of the Government and reflect the position of the Contractor as purchaser and of the subcontractor as vendor, and to omit that portion of subparagraph (3) relating to tax credits, and (ii) include in each cost-reimbursement type subcontract hereunder a requirement that each price redetermination and incentive price revision subcontract thereunder will contain the substance of this paragraph (f), including this subparagraph (4) modified as outlined in (i) above.

(g) Disagreements.

If the Contractor and the Contracting Officer fail to agree upon the total final price within 60 days after the date on which the data required by (b) above are to be submitted, or within such further time as may be specified by the Contracting Officer, such failure to agree shall be deemed to be a dispute concerning a question of fact within the meaning of the "Disputes" clause of this contract and the Contracting Officer shall promptly issue a decision thereunder.

(h) Termination.

If this contract is terminated prior to establishment of the total final price, prices of supplies or services subject to price revision under this clause shall be established pursuant to this clause for (i) completed supplies accepted by the Government and services performed and accepted by the Government, and (ii) in the event of a partial termination, supplies and services which are not terminated. The termination shall be otherwise accomplished pursuant to other applicable provisions of this contract.

(i) Equitable Adjustments Under Other Clauses.

If an equitable adjustment in the contract price is made under any other clause of this contract before the total final price is established, the adjustment

TOTALS CARRIED FORWARD TO FIRST SHEET

FORM 5-61 1460 USE PREVIOUS EDITIONS (12-28-49)

Approved For Release 2004/03/26 : CIA-RDP78B04747A002200010007-0

9. Budget-Requisitioning Office

Approved For Release 2004/03/26 : CIA-RDP78B04747A002200010007-0

CONTINUATION SHEET

THIS NUMBER M... ALL PACKAG... ORDER/CONTRACT	...AR ON ...ERS ...TRACT	PAGE NO. 3	NO. OF PAGES 9

ISSUING OFFICE 25X1

CONTRACTOR 25X1

ITEM NO.	SUPPLIES OR SERVICES	UNIT	QUANTITY (No. OF Units)	UNIT PRICE	AMOUNT	AMOUNT BILLED

shall be made in the total target cost and may be made in the total target profit. If such an adjustment is made after the total final price is established, adjustment shall be made only in the total final price.

(j) Exclusion From Target Price and Total Final Price.

Whenever any clause of this contract provides that the contract price does not or will not include an amount for a specific purpose, such provision shall mean that neither any target price nor the total final price includes or will include any amount for such purpose.

(k) Separate Reimbursement.

The cost of performance of an obligation that any clause of this contract expressly provides is at Government expense shall not be included in any target price or in the total final price, but shall be reimbursed separately to the extent reasonable and allocable.

(l) Taxes.

As used in the "Federal, State, and Local Taxes" clause of this contract or any other clause of this contract that provides for certain taxes or duties to be included in, or excluded from, the contract price, the term "contract price" includes the total target price, or if it has been established, the total final price. When a provision in such clause or clauses requires that the contract price be increased or decreased as a result of changes in the obligation of the Contractor to pay or bear the burden of certain taxes or duties, such increase or decrease shall be made in the total target price or, if it has been established, in the total final price, so as not to affect the contractor's profit or loss on this contract.

DELIVERY:

1 unit of Item 1 - by 17 August 1964
2 units of Item 1 - by 1 October 1964

Item 2 - by 17 December 1964

TOTALS CARRIED FORWARD TO FIRST SHEET

Approved For Release 2004/03/26 : CIA-RDP78B04747A002200010007-0